



ATTORNEY GENERAL GEORGE JEPSSEN

BANK OF AMERICA FAILING TO MEET NEEDS OF DISTRESSED BORROWERS IN CONNECTICUT

For immediate release

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HARTFORD –Attorney General George Jepsen said Wednesday that Bank of America Corp. needs to devote more resources to help Connecticut borrowers having trouble paying their mortgages or seeking loan modifications.

“I express these concerns on behalf of the thousands of distressed Connecticut borrowers who continue to experience significant difficulties due to Bank of America’s failure to devote adequate resources to loss mitigation,” Jepsen wrote to Brian T. Moynihan, president and chief executive officer of Bank of America. “Bank of America can and should do more.”

“Given that Bank of America is apparently poised to lift its moratorium on Connecticut foreclosures, I do not see that it has any credible plan to deal with the inevitable increase in ... requests” from borrowers seeking loan modifications, Jepsen wrote. The letter followed a recent meeting with bank representatives.

The Office of the Attorney General, the state Department of Banking and the non-profit Connecticut Fair Housing Center continue to receive “numerous complaints” from consumers whose loans are serviced by the bank, Jepsen said. Those complaints include: the bank losing documents repeatedly; lack of communication; conflicting and contradictory instructions from bank employees; receiving foreclosure notices at the same time the borrower is under consideration for a loan modification; failure to honor a loan modification the bank has already agreed to, and lack of any single employee who is familiar with a customer’s file.

“Despite having had more than two years to ‘right-size’ your staff and establish effective procedures and systems, Bank of American has so far not prevented even the most common consumer complaints,” Jepsen wrote.

Jepsen said he was told the bank plans to establish 40 new customer assistance centers nationwide, including one in Dedham, Mass. to serve New England. Establishing one center staffed by a dozen people to cover all of New England is simply not enough, Jepsen wrote. Bank of America is the largest bank in New England.

Nor is it enough for the bank to change its customer service policies, Jepsen said. Bank of America needs to bolster its resources “so that distressed Connecticut borrowers receive fair and honest treatment,” he wrote.

Jepsen is a member of the Executive Committee of the National Association of Attorneys General multistate task force which is seeking to hold major loan servicers, including Bank of America, accountable for the unfair and deceptive default servicing practices they have engaged in across the country.

View letter to [Bank of America](#) – (PDF-318KB)

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